



UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
NATIONAL MARINE FISHERIES SERVICE
Southwest Region
501 West Ocean Boulevard, Suite 4200
Long Beach, California 90802-4213

NOV 14 2000

Dr. J. Lisle Reed
Regional Director
Minerals Management Service
Pacific OCS Region
770 Paseo Camarillo
Camarillo, California 93010-6064

Dear Dr. Reed:

The National Marine Fisheries Service (NMFS) has reviewed the Biological Evaluation (BE) and the Essential Fish Habitat (EFH) Assessment for the "Proposed Oil and Gas Development and Production Activities on the Rocky Point Unit Off Point Conception, California" prepared by the Minerals Management Service (MMS). The proposed Rocky Point Unit (RPU) project is designed to develop and produce hydrocarbon reserves located within leases OCS-P 0451, 0452 and 0453 in the southern Santa Maria Basin of southern California. The RPU adjoins California's seaward boundary, three miles from the shoreline between Point Conception and Point Arguello. The project includes approval to drill up to 20 extended-reach wells from the existing Harvest and Hermosa platforms which are located immediately to the west and south of the unit, respectively. No new equipment or facilities will be needed to develop and produce the field under this proposal. No high energy seismic surveys are proposed for the project.

Endangered Species Act (ESA) Comments

The BE identifies the following listed species under NMFS' jurisdiction which may be found in the project area and which may be affected by activities and accidental events associated with the proposed development of the RPU:

Marine Mammals

Blue whale (*Balaenoptera musculus*)
Fin whale (*Balaenoptera physalus*)
Humpback whale (*Megaptera novaeangliae*)
Northern right whale (*Eubalaena glacialis*)
Sei whale (*Balaenoptera borealis*)
Sperm whale (*Physeter macrocephalus*)
Steller sea lion - eastern stock*
(*Eumetopias jubatus*)
Guadalupe fur seal (*Arctocephalus townsendi*)

Status

Endangered
Endangered
Endangered
Endangered
Endangered
Endangered

Threatened
Threatened



<u>Sea Turtles</u>	<u>Status</u>
Green turtle (<i>Chelonia mydas</i>)	Endangered/Threatened*
Leatherback turtle (<i>Dermochelys coriacea</i>)	Endangered
Loggerhead turtle (<i>Caretta caretta</i>)	Threatened
Olive ridley turtle (<i>Lepidochelys olivacea</i>)	Endangered/Threatened*

Salmonids

Southern CA Steelhead (<i>Oncorhynchus mykiss</i>)	Endangered
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NMFS provides the following clarification to the status of three species, as indicated by asterisk (*). First, in 1997, NMFS reclassified Steller sea lions into two separate stocks. The eastern U.S. stock (animals east of Cape Suckling, Alaska (144°W)) is threatened, the western U.S. stock is endangered. Only the eastern stock of Stellers is expected to be found in the project area. Secondly, green turtles are listed as threatened, except for breeding populations found in Florida and the Pacific coast of Mexico, which are listed as endangered. Lastly, olive ridleys on the Pacific coast of Mexico are listed as endangered; all other populations are listed as threatened.

The BE identifies several potentially significant impacts associated with the proposed project, including noise and disturbance, platform discharges, and potential oil spills. The following comments address each of the impacts.

Vessel Traffic

The BE concludes that a modest increase in surface traffic to and from the platforms is unlikely to have a detectable effect on listed species in the project area. NMFS concurs.

Aircraft Overflight

The BE concludes that any disturbance reactions by listed species due to aircraft overflight is likely to be temporary and not significant. NMFS concurs. Furthermore, NMFS supports MMS' intention to update the guidelines for protecting marine mammals and birds from aircraft overflight; where practicable, aircraft should maintain a minimum altitude of 1,000 feet above migrating and foraging marine mammals and above pinniped haulouts.

Offshore Drilling and Production

The BE concludes that the minor and temporary increase in noise produced during offshore drilling and production is unlikely to affect the movement and behavior of listed species in the project area. NMFS concurs.

Effluent Discharges

The BE concludes that, given the unlikelihood of a listed species passing through platform effluent mixing zones and the likely low probability of the bioaccumulation of toxins by plankton and fish surrounding the platform area, listed marine mammal and sea turtle species are not likely to be adversely affected by effluent discharges produced from the proposed

project. NMFS concurs. However, if new information is obtained from dilution and dispersion plume modeling (see EFH Comments # 3 and 4 below) that indicates that plankton or fish species may be adversely affected and surveys show listed species foraging near enough to the platforms to be adversely affected through bioaccumulation, MMS should reinitiate consultation to address these impacts.

Oil Spill Risk

Based on historical records of oil spills in MMS's Pacific Outer Continental Shelf (OCS) region, the BE concludes that there is only a 5.5 percent chance of a large ($\geq 1,000$ barrels (bbl)) spill and a 27 percent chance of a 50-1,000 bbl spill that could occur during the life of the proposed project (through 2012). Furthermore, based on an oil spill risk assessment model, and observational data (surface drifter analysis), there is overall a small probability that an accidental oil spill could reach the Channel Islands and/or the mainland, depending on the season and the size of the spill. The BE concludes that large whales, particularly blue and humpback whales, may be temporarily displaced from their foraging grounds due to the presence of oil spill response vessels and aircraft during oil spill cleanup. Other listed species are present in such low numbers in the project area that the likelihood of contact with a small accidental oil spill is very low. NMFS concurs with the BE's conclusion that impacts from accidental oil spills are not likely to adversely affect listed species under its jurisdiction. Furthermore, NMFS supports MMS' continued efforts to manage the prevention and response to oil spills, including platform and pipeline inspections drills, and maintenance of oil spill response plans.

ESA Conclusions

This concludes informal ESA section 7 consultation for this proposed action. Consultation must be reinitiated if new information becomes available revealing effects of oil and gas exploration activities on listed species that were not previously considered, the project is modified in a manner that causes an effect to a listed species that was not considered, or if a new species is listed that may be affected by this action.

Essential Fish Habitat Comments

The EFH Assessment addresses noise and disturbance, oil spills and effluent discharges as potentially significant sources of direct impacts to EFH. In the EFH Assessment, MMS surmises that the sound levels produced by activities associated with the drilling are unlikely to impact EFH. NMFS concurs with this conclusion.

Based on the results of an oil-spill risk analysis, MMS estimates that there is a 27 percent chance that a 50 to 1000-bbl oil spill could occur over the projected 10 year life of the project and more likely that such a spill would probably be less than 200 bbls. Given that MMS regulations require review and approval of comprehensive oil spill response plans at least every two years and that MMS conducts frequent oil spill response exercises at its OCS facilities, MMS has determined in its EFH Assessment that only a slight increased risk of an oil spill associated with the project would occur. Further, only minimal adverse effects would be

expected to EFH if an oil spill less than 200 barrels occurred.

A potential impact of concern is the additional discharge of effluent (e.g., “production waters”) from the Harvest and Hermosa platforms. The EFH Assessment states that a total of 180,737 bbl of drilling fluids are expected to be discharged during the proposed project. While these regulated discharges are currently being reviewed for re-issuance by the Environmental Protection Agency (EPA) under the National Pollutant Discharge Elimination System (NPDES) of Section 402 of the Clean Water Act (general permit # CA 280000) off the California coast, these discharges are based on water quality criteria determined outside the 100 meter radius mixing zone beyond each platform’s discharge pipe. However, these discharge pipes are located directly underneath platforms where up to 39 species Federally managed in the Pacific Groundfish Fishery Management Plan (FMP) have been documented. Some of the more common groundfish species consistently observed at the Harvest and Hermosa platforms include subadult and adult life stages of bocaccio (*Sebastes paucispinis*), widow rockfish (*Sebastes entomelas*), and lingcod (*Ophiodon elongatus*). It should be noted that the bocaccio rockfish is currently designated as a candidate species for listing under the Endangered Species Act. In addition to the groundfish species, adult stages of northern anchovy (*Engraulis mordax*), jack mackerel (*Trachurus symmetricus*) and Pacific sardine (*Sardinops sagax*), all Federally managed under the Coastal Pelagic Species FMP, have also been recorded at these two platforms.

Because acute or chronic toxic effects on Federally managed fishes inside the mixing zone have not been specifically identified and quantified, NMFS is concerned about potential toxic threats to its trust resources from the produced water of platforms. NMFS is aware that the potential for marine organisms to bioaccumulate toxicants from produced water plumes has been evaluated. However, the analyses conducted for southern California platforms are neither definitive nor have they thoroughly assessed the effects of produced water inside the mixing zones, particularly within a few tens of meters of the outfall. It is noted that MMS concurs in its EFH Assessment that discharges may have localized effects on EFH and fish species within the 100 m radius mixing zone.

Essential Fish Habitat Conservation Recommendations

The proposed project could adversely affect the EFH designated under the Magnuson-Steven Fishery Conservation and Management Act for 39 species of groundfish (for all life stages), and the adult life stages of northern anchovy, Pacific sardine, and jack mackerel due to exposure to production waters and oil spills. Pursuant to Section 305(b)(4)(A) of the Magnuson-Stevens Act, NMFS recommends that MMS consider the following conservation recommendations:

1. In the event that oil based muds are used for drilling, these muds or muds containing additives not approved by EPA or containing additives in concentrations above EPA limits should be transported ashore for approved disposal.

2. The MMS continue its oil spill prevention and response activities, including conducting semi-annual review of plans, updating plans to include new spill response technologies and continuing its frequent oil spill response exercises at outer continental shelf facilities.
3. The MMS require the oil and gas platform operator (i.e., Whiting Petroleum Corporation) to evaluate the direct lethal, sublethal, and bioaccumulative effects of produced water on Federally managed fish species (e.g., blue rockfish, bocaccio rockfish, brown rockfish, olive rockfish and lingcod) at key life stages (e.g., juvenile and adult) occupying the mixing zone of produced water effluent discharges.
4. The MMS require the oil and gas platform operator to model dilution and dispersion plumes from the point of production water discharge from the Harvest and Hermosa platforms to determine the extent of the area in which Federally managed fish species may be adversely affected.
5. The MMS require the oil and gas platform operator to develop appropriate mitigation measures (i.e., alter discharge rates or relocate discharge pipes) should information from EFH Conservation Recommendations # 3 and 4 indicate that substantial adverse effects to Federally managed species or EFH do occur.

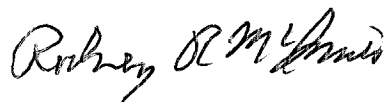
EFH Conclusions

Section 305(b)(4)(B) of the Magnuson-Steven Act requires MMS to provide NMFS with a detailed written response to the EFH Conservation Recommendations, including a description of measures adopted by MMS for avoiding, mitigating, or offsetting the impact of the project on EFH. In the case of a response that is inconsistent with NMFS' recommendations, MMS must explain its reasons for not following the recommendations, including the scientific justification for any disagreements with NMFS over the anticipated effect of the proposed action and the measures needed to avoid, minimize, mitigate, or offset such effects (50 CFR 600.920(j)).

NMFS expressed similar concerns to the EPA regarding the potential adverse impacts of production water within the 100-m mixing zone in a recent review of the NPDES general permit (# CA 280000) for oil and gas platforms off the California coast. Similarly, NMFS provided EFH Conservation Recommendations that advised EPA to request oil and gas platform operators to evaluate the potential impacts of production waters on EFH and Federally managed fish species. We look forward to your response to our EFH Conservation Recommendations.

Thank you for consulting with NMFS. If you have any questions regarding the ESA or EFH comments, please contact Tina Fahy at (562) 980-4023, and/or Mark Helvey at (562) 980-4046, respectively.

Sincerely,

A handwritten signature in cursive script, appearing to read "Rebecca Lent".

for Rebecca Lent, Ph. D.
Regional Administrator